

AFTER-THE-WAR PROBLEMS

No Bolshevik Revolution in America After War

**Overwhelming and Sane Forces of Organized Labor Will
Prevent Revolutionary Overturning of Order**

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During the last few months there has been an observable increase in the clamor among newspapers, magazine writers and certain so-called "economists" for after-the-war programs that, if carried out, would confessedly result in the complete overturning of all our industrial institutions. This speciously "advanced" propaganda finds its origin in socialistic quarters, where the same program has been advocated in this country for twenty years. Now, however, in the excitement of the hour, with Bolshevism running riot and threatening to foment revolutions in England, France, Germany and the United States; with a socialist candidate for the Mayoralty of New York City receiving at the last election 150,000 votes; with a socialist candidate for Senator receiving over 100,000 votes in Wisconsin; with all supposedly settled policies in finance, commerce and manufacturing—in fact, in the labor and business world generally—being apparently upset by war emergency requirements, we hear this clamor echoed by many who, not knowing of its origin and therefore ignorant of its meaning, are joining in it on general principles. It seems a profound thing to say that at the close of the War we shall not go back to old conditions; that all of our time-honored institutions have been shaken up; that we are going forward to revolutionary conditions; that Labor, which has been "pressed down," is going to come into its own—in fact, is going to control our industrial institutions; and that the "brotherhood of man" and the "democratization of industry" are going to be realized.

The editor of a high-class, conservative magazine was asked recently as to the radical tendency which has been observed of late in his publication, in articles on the war and on Russia. His answer was: "But don't you know it is coming?" When asked: "What is coming?" he replied in a vague and helpless way: "Oh, government ownership, industrial democracy, and so forth. The working people are going to take industries into their own hands. 'The Man With the Hoe' is coming into his own. It is the drift of the times. It is in the people's minds. *Why* do we publish radical articles in our magazines? We are merely seeking to meet the public need and to express what the public is feeling." He was oblivious of the fact that he is helping to build up that very sentiment by catering to it. When some remark was made about Bolshevism in the United States, he rejoined: "We do not stand for extreme radicalism; that is not what I mean; but most people recognize this rising tide. That was indicated by Schwab's recent speech." Asked if the taking over by the working people of all industrial institutions was not what the Bolsheviks themselves wanted, he replied: "Well, we do not go so far as that, anyhow," overlooking the fact that that was exactly what he was predicting would happen.

Another class of people, including business men and lawyers, who have given no study to the matter, have become so much impressed by the insistency of the clamor that they simply sit back and say: "Well, it is coming. We may as well make up our minds to it." Ask them: "What is coming?" and it soon develops that they too have no idea what it is except that it is something more or less awful and that there is no use in "blinking at it."

Now, despite the questionable sources of what, because of the irresponsible character of its promoters, I have termed "clamor," it is undoubtedly true that things will be different after the war and not only different but, let us hope, very much better. Under the stress of doing things to save our country, we have discovered many weak spots and many dark spots which our war experience will enable us to strengthen in the one case and to eradicate in the other. Those who labor with their hands are going to be assured of more just wages and fairer hours, as well as of more humane working and living conditions.

But many other things which are now being talked about are not going to happen. In the first place, we are not going into State Socialism; we are not going over to "government ownership and operation of factories, mines, mills and all means of production and distribution, and of the land." You may put it down as Fact No. 1 that the six and a half millions of farms in this country will not be taken over by the government, for the farmers themselves will look after that question at the polls. And under the Constitution of the United States none of those things can be done until that instrument is amended by an affirmative vote of the Legislatures of three-fourths of the States. Then it may be put down as Fact No. 2 that our 500,000 factories, mines, mills and stores will not be taken over by the government; for not only their managers and stockholders but ninety per cent of the eight million workers who draw their wages every Saturday night from those same owners, their employers, will see to that. Organized labor in this country does not care much about sentiment or hare-brained theories when Saturday night comes. It wants its pay. Even if that pay is not what it ought to be, it is something tangible and appreciable, whereas under Bolshevism and I. W. W.'ism, it would be a "barren ideality," because no industry could be conducted upon any such crazy program.*

* Mr. Samuel Gompers, in excoriating Paul Kellogg, the editor of the *Survey*, at a recent meeting where the said Mr. Kellogg was undertaking to tell American Labor what it should do and how it should line up with the English Bolsheviki, used the following sentences, which are very much to the point:

"The difficulty is, my friends, that there are some people who won't understand the real facts of life, and that it isn't declarations which count, but the exercise of normal activities. I want the stars in the heavens. My aspirations know no limit for my fellow men, but I do have some,—or at least I am vain enough to believe that I have some common sense and understanding of the operations of the human mind. I am not going to give up voluntarily the labor movement with its achievements of today to look for the chimerical tomorrow. I think the greatest, the most radical, the most idealistic and the most fantastical declaration which any body of men has made has been by the Bolsheviki of Russia. And they have lost, not only the meat from the bone but the bone itself, and have not even the shadow. They went out for the maximum for the masses, for land, bread, and peace, and they haven't their land or bread or peace. We prefer to go on in this normal way of trying to make the conditions of life and labor better today than they were yesterday; and better tomorrow and tomorrow and tomorrow's tomorrow than each day that has gone before."

In addition to our millions of farmers and wage earners, there are the other millions of the middle class or what the Bolsheviki and socialists denominate as the "Bourgeois" class. Of this class and the labor class in the cities and villages, there are ten millions who own their homes. Then there are the millions of depositors in the savings' banks, most of whom are of the wage-earning class; other hundreds of thousands of stockholders in the railroads and corporations of all kinds; and twenty million policy holders in the insurance companies. After eliminating the duplicates in all of these classes, you still have scores of millions of people all of whom have more or less of a stake in the property of the country. If you add them to the farmers and the wage earners of the nation, and the millions of subscribers to Liberty Loans, past, present and future, who also have a stake in the country, it can safely be asserted that the Constitution of the United States will not be amended to permit the American Bolsheviki to take over the means of production and distribution and the land, so glibly and mushily predicted by the parlor socialists who are wasting so much valuable space in our magazines and papers.

If there had ever been in the public mind any doubt as to the impracticability of carrying out the proposal to have the industries of the country confiscated and operated by the workers themselves or any illusions as to the likelihood of this country's following Karl Marx's program for the taking over and operating all industry by the Government, such ideas would have been totally dispelled by the object lesson which we have had in Petrograd, where the I. W. W. and the socialists have had full sway, and by the other object lesson which we are now having in connection with our own Government's attempt to run whatever extra business the war emergency has temporarily forced upon it. I say this with the full realization of the tremendous task that was imposed "overnight" upon the Government, with its necessarily inadequate machinery. I realize also that, under the circumstances, this was the only thing to do and furthermore, that, whether good, bad or indifferent, the thing will be better done during the War by the Government than under private control, because the Federal Government can cut through legal restrictions, make or unmake laws, or do anything it desires or finds necessary.

I have spoken of the Marxian program for the State

to take over all means of production and distribution and the land. In the case of the railroads and the telegraph and telephone utilities, there is little likelihood of such a contingency; but we certainly shall have better transportation facilities at the close of the war than we had at the beginning, because the great handicaps of restrictive legislation, which the Government itself wiped out as soon as it undertook to operate the railroads, will never be restored. For instance, the railroads will never again face the absurdity of being prohibited under the Sherman Act from agreeing on rates, while under the Interstate Commerce Act they were compelled to do that very thing. There will be more efficient regulation of the railroads after the War, and there will be abolished much of the useless duplication and waste growing out of the attempt to enforce competition among different systems, where there should be no competition but complete Government regulation. The service will be both better and cheaper.

I doubt if any reasonable person questions the absolute necessity, as a military expedient, of the Government taking control of the railroads, or even of the mines if that is done later, and fixing the price of staples if that is found desirable at whatever cost in waste and blunders, because the situation demanded radical changes in some form and these very experiments may prove failures; but if all problems were solved instantaneously Washington would be in the hands of demigods and not of politicians. But, admitting that in an emergency everything should give way to necessity, at the close of the war, when that necessity disappears, the process of readjustment will, I believe, re-establish the individual control and operation of industry, but under more strict and more just regulation. England is going through the same experience. At first the idea there was that the industries "taken over by the Government" would never go back to their private owners but remain state enterprises. In the first place, not one of the industries was ever "taken over" by the State, as claimed by the socialists. The railroads and all the industries are in the hands of private owners, run by the private owners and the profits taken by the private owners. The government simply oversees the operation to the extent of preventing profiteering in any form and stimulating the production to the utmost. And that is all that is being done by the

government in any of the industries in this country.

Not only are England and the United States opposed to State operation of industry but so is Germany. Last October a conference was held in Berlin, attended by representatives from all the large German industries, including representatives of the government, to consider the question: "What governmental activities in the regulation of activities during the war shall be continued permanently?" and the conclusion was, NOT ONE. This report, which seems to have been little noticed in this country, is so much to the point that I quote the following from a despatch sent from Copenhagen, and published in the *New York Sun* of October 21, 1917:

"Representatives of German industries at a large conference in Berlin on Thursday went on record against various governmental plans for State control of industry after the war. They demanded return to the free exercise of private initiative in business as quickly as possible.

The conference, which was called by the War Industry Board, was attended by representatives of the various departments of the Government concerned. It was resolved unanimously that imports should be limited only as far as lack of tonnage and the state of exchange rendered absolutely necessary; that the importation of raw materials should be left as before to the customary channels of trade; that ships and exchange be placed at the disposal of importers of other wares; that restrictions imposed upon home commerce and industry during the war be removed, and that none be imposed upon those seeking to obtain foreign markets.

The Government has been planning to take charge of all imports, assigning shipping and foreign exchange for purchases only to such articles as Government experts should decide were indispensable. It was planned to pool such purchases to eliminate competition and obtain better prices.

A second resolution rejected the idea of establishing compulsory syndicates and State monopolies in important branches of business, which measure the Government is considering as one of the postbellum sources of revenue. The resolution declares that such interference with the sound development of business life would result only in killing the goose that laid the golden egg.

The conference outlined the principles which it considered should be followed in the military and economic demobilization to prevent unemployment, to secure the distribution of labor as quickly as possible to the points where it was

needed most and to release all the forces needed in building German trade and industry up again."

This is the verdict of Germany, the hotbed of State Socialism, the country which has come nearest to putting that philosophy into effect and which is proclaimed as the one country that ought to know what is efficient and what is not. In my judgment, our verdict on this question will be the same as that of England and Germany.

But in the literature of the hour great pother is made of a so-called "Labor Program" which has been put out by the British Labor Party and which is a clever attempt to drag in the abolition of private property through a sentimental camouflage about "justice to Labor after the war." This Labor Program has been published in this country as a supplement to "The New Republic," the organ of the pacifists, the parlor socialists and the "high brows" generally, which latter includes some very subtle Tentonic minds. The statement has been made that thousands of copies of the issue of "The New Republic" containing this supplement have been bought by the economic clubs of the country for distribution among their members. "The Survey," the semi-official organ of the settlement and charity workers, a magazine dominated by pacifists and socialists, has been trying to get its clientele stirred up in the interest of this same "British Labor Program." * Another magazine loud for

* Mr. Samuel Gompers, President of the American Federation of Labor, in the *American Federationist* for May, refers to these "high-brows" in the following words:

"There is a group of faddists in this country who advocate ultra aims and who are intolerant of and hostile to the bona fide practical and constructive labor movement. It is part of their stock in trade to be "different," thereby creating a scope of activity for themselves. Their livelihood depends upon subsidies; they are professional friends of labor.

The labor movement does not discount the service to civilization rendered by intellectual ability, but it is equally convinced that there is a vast supply of important fundamental knowledge that can be secured only through the slow accumulation of deductions from experience. In understanding and solving labor problems, information gained in the college lecture room or in doctrinaire discussions is not a substitute for the knowledge gained through solving labor problems in the shop, in the mill, or in the mine. Intellectuals usually suspend their labor programs from sky hooks. Their practical efforts are confined to criticising the achievements and the methods of workingmen. They can find nothing good in the practical structure of labor organization which workers have built upon solid foundations resting upon the ground

the British Labor Program is a monthly called "The Public." Formerly the official organ of the Single Taxers, it was edited by Louis F. Post, now Assistant Secretary of Labor. Mr. Post is now entirely out of the magazine and should not be held responsible for the wild and impossible views which it now expresses. All the socialist, I. W. W. and other radical organs in the country are joining in the chorus of praise of this British Labor Program and demanding its acceptance in this country. The so-called, and malodorous, People's Council, which has been suppressed in some States and should be suppressed in all of them, has recently held a three days' meeting in New York for the specific purpose of "booming" the British Labor Program.

Now, what is this wonderful program, which is supposed to be the "last word" on the so-called "labor and capital "problems". After some rhetorical flourishes about "the death of European civilization," "the industrial catastrophe in Europe," "the culmination and collapse of industrial civilization," and so forth and so forth, "the three tailors of Tooley Street," Messrs. Webb, Henderson and Macdonald, hand us a statement which turns out to be merely a resurrection of the old Karl Marxian propositions, with a few fancy trimmings added by the camouflage artists to hide its real character. So far this labor program represents only the views of Sidney Webb, J. Ramsey Macdonald and Arthur Henderson. It has not been adopted by any single one of the various constituent organizations comprising the British Labor Party. But it is unimportant whether it is adopted

where the labor problems exist and extending upward as far as the foundation structure will sustain.

Many of the "intellectuals" have joined in a campaign of carping criticism, either direct or indirect, and insidious attack upon the A. F. of L. Instead of carrying out a wholly destructive policy in an endeavor to weaken the influence of the A. F. of L., and lower the morale of the only organization that can render effective service to the government in this critical period, the true intellectuals have another and a legitimate field. They can act as advisers and the formulators of constructive plans and policies to be submitted to democratic consideration and decision by the workers themselves in the American labor movement.

Let them return to their rightful work and acquiesce in the right of the labor movement to determine its own aims and policies and to organize and determine its own agencies and methods. Friendly constructive criticism is always welcome from any source, but the attempt to bulldoze or dominate the labor movement by others than the workers themselves will be resisted and resented to the uttermost."

by them or not, as that organization has largely degenerated into a political socialist movement. The program itself, which was outlined in a document of ten thousand words, has been boiled down to four paragraphs by William English Walling, one of the ablest experts in this country on international labor matters, in an article published in the *New York Times* of February 24, 1918, as follows:

"The progressive elimination from the control of industry of the private capitalist; eventual common ownership of the means of production, including land, and immediate nationalization of mines, railroads, steamship lines, and the production of electric power.

"Government responsibility for obtaining employment at a minimum wage, and Government maintenance of willing workers for whom employment cannot be found.

"Meeting of national expenses mainly by direct taxation of incomes and inheritances.

"Devotion of surplus profits above the 'standard of life' to the common use of the people."

The reader need not trouble about what follows the first paragraph. The absurdity of the proposition that means the Government taking over the factories, mills, mines, farms, railroads, steamship lines, banks, stores, etc., is too apparent to call for further comment. Such a program could receive no encouragement here from any but members of the Socialist Party and I. W. W.'s (whose business it is to create all the unrest possible in every country on the face of the globe), sentimental pacifists, some college professors, charity workers, and freaks. But these are just the people who, as I have said, have been talking in this way for twenty years. The program is nothing but socialism, pure and simple. Of course, the pro-German propagandists in this country, undoubtedly financed from Berlin, as were Lenin and Trotsky in Russia, will continue the clamor and they will also undoubtedly continue to gather adherents from among people who ought to know better.

This situation is well summed up in the following paragraph from the *New York Evening Mail*, of April 15, 1918:

"The Socialist Party in the United States has been very cleverly playing upon just this element of dissatisfied progressive thought in our national life. The socialist leaders put the soft pedal upon the essential teachings of Karl Marx.

With the alluring camouflage of social reform they mask their real batteries, the doctrine of the expropriation of private property."

As before stated, this radical propaganda is nothing more or less than the socialist program which has been advocated by its authors for many years; but it is now being blazoned in this country by both its crafty disciples and ingenuous converts as a new and wonderful vision which all civilized nations should follow. In fact, the people who are talking this are largely those who are enamoured of Bolshevism, plus a few otherwise level-headed business men who have been over-impressed as well as scared by these super-intellectuals. Nothing has come about or will come about in the war to carry out any such preposterous program. War conditions are being made an occasion for radical writers and talkers and the whole motley crew of malcontents to rally their "isms" around, for they calculate that the average man will not take the time to analyze this menace.

Yes, there will be great changes after the war. They will not, however, be in the direction of socialism but away from it—and so far away that it will never come back. One of the great changes that will take place was foreshadowed by the 12,000 boys from Camp Upton who marched down Fifth Avenue on Washington's Birthday. Most of them will return stalwart, virile Americans, physically remade, and will carry back to their homes a new spirit of Americanism. Those whose homes are on the East Side in New York, or on the East Side in Chicago, will be less ready to talk disloyalty to American institutions or be influenced by the "Abe" Cahans and the Morris Hillquits. Already the "Spirit of '76" is taking hold on the East and West Sides of all our great cities and is creating a better and more wholesome spirit of Americanism. This will be true of the million or two million or five million boys who will return to their homes throughout the land at the close of the war. The problem of demobilizing and re-establishing all these men in industry, as well as re-educating the maimed and adapting them to industry, will be a tremendous one and the programs for this should not have to await the close of the war before being formulated. Here is one situation where even the pacifists must agree that preparedness will be an advantage. The Government of this country has rightfully promised, as has that of England, that the

great labor organizations shall not lose what they have gained by their many years of struggle, and that all union rules waived for the period of the war shall be restored at its close. The problem of returning many of the women from the shops to the homes will be fraught with many perplexing developments. In the business world at the end of the war we shall have not only the transportation system to deal with, but the conversion of those industries now devoted to making munitions and other war materials to the normal industries of peace times, as well as the accommodation of the millions of workers in those plants to normal pursuits. There will also be the shipping problem, with the leasing to private industry by the Government of its merchant marine, which by that time may be the greatest in the world, but which, until peace comes, can be developed and operated only by the Government. There are many other questions which are now being studied by a commission in England, covering eighty-seven different topics—commercial, industrial and military.*

The National Civic Federation at its meeting on March 16 in New York, when it gave a reception and

* These commissions and committees, which have been appointed at different times since the war began, now number eighty-seven and fall into fifteen groups:

List of 15 Groupings.

- I. Trade development, under which grouping are five committees dealing with general aspects and nine dealing with specific phases of the situation.
- II. Finance, with two committees.
- III. Raw materials, with six committees.
- IV. Coal and power, with two committees and four subcommittees.
- V. Intelligence, with two committees.
- VI. Scientific and industrial research, with two research boards, five standing committees, seven research committees, four inquiry committees, and three provisional organization committees.
- VII. Demobilization and disposal of stores, with eight committees.
- VIII. Labor and employment, with two committees.
- IX. Agriculture and Forestry, with four committees.
- X. Public administration, with six committees.
- XI. Housing, with four committees.
- XII. Education, with eight committees and commissions.
- XIII. Aliens, with two committees.
- XIV. Legal, with three committees.
- XV. Miscellaneous, with three committees.

From *The Official Bulletin*, of Committee on Public Information, March 14, 1918.

luncheon to the British labor union delegates sent to this country by the English Government, had in mind this situation when it adopted the following resolution:

“WHEREAS, the forces favoring the vigorous prosecution of the war fully recognize that After-the-War conditions will necessitate a vast plan of unified readjustment of industrial affairs,

“RESOLVED, That The National Civic Federation request the League for National Unity, an organization composed of representatives of labor, agriculture, manufacture, commerce and churches, as well as of organizations of women and of professional men, to appoint a Commission to undertake a thorough study of the subject and to make recommendations which will afford a solid basis for such industrial reconstruction as will be necessary after the war.”

In what I have said above, I have attempted to give only a picture of the general situation as I see it. In what follows, I want to come down more specifically to what I think will be the changes in the capital-and-labor problem in this country after the war, because most of the loose talking and writing on this subject revolves around that question. Another reason for discussing it is that it is the one question on which I claim to have some information, having spent twenty years working intimately and at first hand with the organized labor movement, as well as with the large employers and their organizations.

Just what is it that Labor is likely to demand at the close of the war that it is not demanding now and did not demand before the war? What part of Labor has ideas at all common with the American Bolsheviki—that is, the revolutionary groups centering in what, since the Goldmans, Bergers and Haywoods are now in prison, are called “the *New Republic* and the *Survey* groups.” These groups are filling the air with much lurid stuff about the revolutionary changes that are going to bring labor into its own and into the control of things in general à la Petrograd, and as before stated, are attempting to promote in this country the socialist-pacifist program of Sidney Webb and Arthur Henderson, the latter being the Morris Hillquit of England and the former being the leader, together with the impossible Bernard Shaw, of the Fabian Socialists of England.

Let us take, in the inverse order of their numerical

importauee, (1) the I. W. W. (the counterparts of the Bolsheviks of Russia); (2) the Socialist Party; and (3) organized labor as represented by the American Federation of Labor and the Railway Brotherhoods.

The I. W. W. claim numerically all the way from 50,000 to 200,000 members, the 200,000 being a sweeping inclusion of every migratory worker from whom at any time during the season they have succeeded in extracting a dollar or more for their cause. Thousands of their so-called members have no understanding of the I. W. W. philosophy and would repudiate it if they had. They would as readily have joined the Salvation Army as the I. W. W. (as was stated by *Solidarity*, their official organ), if the Salvation Army had come along at the opportune moment when injustice was being done them by some hard-hearted and vicious minded employers. The actual membership of this body was testified to before the Industrial Relations Commission by their treasurer as 16,000 at a time when they were claiming a half million in their papers.

The Socialist Party in 1912 cast 900,000 votes which they claimed as socialist but which they afterward admitted represented only the vote of the disgruntled Republicans, Democrats and Populists who "had no other place to go"; but they had at that time a dues-paying membership of only 150,000. However, a referendum taken within the past year on their war platform adopted at St. Louis, after a hot campaign on the soap-box, in their halls and through their press, produced less than 22,000 votes.

The 150,000 votes for Hillquit in the recent New York mayoralty campaign, or the Victor Berger vote of 110,000 for United States Senator in Wisconsin, have no significance in indicating socialist strength. They do mean that the pro-Germans, the anti-English Irish, the pacifists and all other disloyal forces voted for Hillquit and Berger as against loyal candidates—socialism *per se* cutting no figure in the matter. In the New York municipal campaign, the *Irish World* vigorously supported Hillquit for Mayor; but in the vote in the four Congressional districts in New York in March, 1918, just four months after the 150,000 Hillquit vote, the socialist vote slumped 75 per cent.

Furthermore, even with the small membership it has, the membership of the Socialist Party is not a labor

membership. Morris Hillquit, their idol and the political "boss" of the party—what in the old days we would have called the Matt Quay or the Tom Platt of the Republican Party—is a rich lawyer in New York, living on Riverside Drive, one of the most fashionable parts of the city; he is the attorney, and a large stockholder for the Burns Coal Trust and in fact is everything but a workman—or let us say, a member of the "proletariat." Victor Berger of Milwaukee, their other leader, is a newspaper publisher and an employer and is also very far from the "proletariat." Numerically speaking, the Socialist Party is a negative quantity. Its main function is to provide a center around which frequently gather the revolutionary and other impossible elements in our country whose fundamental difference with the I. W. W. prevents them from joining directly with the "Bill Haywoods", although lately a common interest in the Kaiser's game is bringing them together. It has just been announced that the Socialist Party will raise funds to defend the Haywoodites now on trial in Chicago.

The American Federation of Labor and the Railway Brotherhoods have in round numbers over 3,000,000 members, every man being a real wage earner—they having no lawyer, or college professor, or preacher, or social settlement worker membership. With these larger organizations, the labor membership of the I. W. W. and socialists combined would compare in the ratio of 2 to 100. And yet there are very many good people who talk glibly about the I. W. W. and socialists representing the real labor movement because they reach down and get "the poor unskilled devil" who has no chance in the conservative craft organizations. These people are utterly oblivious of the fact that the A. F. of L. has fifty times as many unskilled workers in its organization as have the others named, and that it is spending more and more money every year in organizing those classes.

What are the differences in the philosophies and aspirations of these three movements and what are they going to demand at the close of the war that they are not demanding now? In other words, what are going to be the startling, hair-raising changes that are scaring so many good people from their sleep? To make clear the differences between these three movements, let us take a concrete example: The General Electric Company

at Sehenetady, let us say, has 20,000 employees. The Socialist Party would say to it, "This property is not yours. Through exploitation of the workers, you have robbed them of the value represented in this property, and in the name of justice we demand that the State confiscate it and run it as it runs the Post Office. In other words, the 20,000 employees would be the employees of the Government, as the letter carriers and the mail clerks now are."

The I. W. W. would say, "We agree with the socialists that 'property is robbery' and that the wage system, profits and interest should all be abolished." But they also say, "To H——ll with the State! We want none of it. It should be abolished too. What we want is that these 20,000 wage slaves should confiscate this property and run the factory themselves in their own sweet way." This is just the philosophy that the Bolsheviki tried to put in practice at Petrograd with not surprising results.*

The trade union movement says to the General Electric Company: "We believe in your right to own this property. We believe also in your right to earn sufficient profit to enable you to pay good wages for reasonable hours of work done in sanitary surroundings, and that our wages should be sufficient to enable us to save for a rainy day, to educate our children and to live in comparative comfort, with some of the luxuries of life. We

* M. Gukovsky, the new Russian Minister of Finance, in a statement to the central executive committee of the Soldiers' and Workmen's delegates on the financial situation of Russia, spoke on the railroad question.

The railroads, he said, were carrying 70 per cent less freight while the operations for a verst cost 120,000 rubles, against 11,600 formerly. The wages of employees had been increased several hundred per cent and the hours reduced, necessitating three and even four shifts.

He said that no taxes were being collected by the central government, as local, city and provincial district soviets were levying contributions at will and using the moneys for their own purposes. The new minister pictured industrial conditions in the blackest colors, mentioning the Sermoff locomotive works, which turn out two locomotives a day instead of eighteen formerly, making the cost of one locomotive 600,000 rubles.

The new finance minister urged a better administration scheme, greater co-operation and the reduction of expenses by decreasing the number of clerks, officials and officers. He insisted upon the necessity of securing the co-operation of industrial, financial and other specialists, without whom the efficient organization of state machinery was impossible.

M. Gukovsky's long speech was received amid dead silence, and its conclusion was greeted by one solitary hand clap.

(Associated Press. Moscow, Tuesday, April 16, 1918.)

insist further upon the right of the men to be heard on any grievance they may have, through representatives of their respective unions, if organized, or by committees of the men themselves, if unorganized." They would also say to the General Electric Company, "We recognize furthermore your right to earn sufficient profit to pay, in addition to proper wages, the interest on your investment, overhead charges, upkeep, taxes, etc."

In a nutshell, these are, I believe, the fundamental differences between the three groups. It goes without saying that after the war, as now, the I. W. W. and the Socialist Party will be urging their respective philosophies—for it is hardly conceivable that these two groups can demand any more after the war than they are demanding now—the one that the Government shall take over and operate all the industries as well as the farms of the country; and the other, the I. W. W. (or Bolsheviki) that the State shall be abolished and that the workers shall confiscate the industries and run them themselves. And also, I feel sure that the real labor movement of the country, consisting of the American Federation of Labor and the Railway Brotherhoods (the only one that will cut any figure after the war, just as it is now the only one helping the Government win the war, the others referred to being outlaw organizations), the labor movement, I say, will not be demanding anything different from what it is demanding today, viz., better wages, shorter hours, more humane working and living conditions, and the right to organize the workers and be heard collectively. While it is true that there is a small percentage, less than ten per cent, of these trades unionists who are members of the socialist and I. W. W. movements, the ninety per cent have passed on all the theories of these revolutionary movements and have rejected them.

But in the midst of all this hullabaloo and camouflage sentimentalism for revolutionary changes put out by the American Bolsheviki, there suddenly emerges the Magna Charta of our national industries, framed by a joint committee representing ninety per cent of all the employers and union and non-union workers in the United States. This board is composed of an equal number of representatives of the American Federation of Labor, representing one hundred and thirty-five national crafts, and of the National Industrial Con-

ference Board, made up of fifteen national employers' organizations, whose members employ millions of men. Two additional members, Messrs. William H. Taft and Frank P. Walsh, were selected, one by each side, to represent the public on the committee. This joint committee has unanimously issued a program that is in effect a crushing blow to the Hillquits, the Haywoods, the Bergers, the Emma Goldmans, the revolutionary preachers and college professors, the *New Republic* and the *Survey* editors and all the other Arthur Hendersons and Sidney Webbs of this country. This program says to the world: "In the United States we have no use for fake panaceas, whether they come from England or Petrograd. We do not want industry overturned and confiscated; on the other hand, neither do we want labor exploited and we want it to have the best wages possible and the fairest hours and most decent methods of living." This commission met the most delicate questions, such as the open and closed shop and compulsory arbitration, in the broadest and most just manner. By it the union says to the non-union employer: We agree to your right to employ non-union men and we agree not to undertake to coerce them into the union. The employers on their side say: We will not object to a man belonging to a union and we do not object to your attempting peacefully to organize our men. They declare that the collective bargaining principle is correct as between organized labor and employers, and where the men are not organized, they have the right to appoint committees to take their grievances to the management, and if any grievances arise in the union or non-union shops which cannot be settled by the local man, a system of arbitration is provided which takes it up, if necessary, to an appointment by the President of ten men from whom they may select an umpire.

This arbitration scheme preserves the voluntary principle and while in ninety-nine cases out of a hundred the moral force of a settlement through this method would be accepted by both sides, there is a proviso that does not compel acceptance, in that hundredth case, because to find the way to compel acceptance means compulsory arbitration by law, which has been a failure in every country where it has been tried, through the impossibility of enforcing its decrees. These concessions on both sides are of such importance that, coming at the hour they do, they should be called momentous. So I say

that this Magna Charta is the wisest and best pronouncement on the so-called capital-and-labor problem that has yet been devised, and that it points the way not only to this country but to the whole civilized world. And let me add that while it is only designed to prevent strikes and lockouts during the war, it will prove just as workable and desirable after the war.

At about the same time, the Railway Brotherhoods and the railroad corporations also perfected an agreement covering that great arm of industrial service, in which a board of eight, consisting of one representative of each of the four great Railway Brotherhoods and one representative of each of the four divisions into which the railway systems of the United States are geographically divided, was agreed upon to settle all disputes of any character that should arise.

The successful outcome of these joint conferences is very gratifying to The National Civic Federation, because the principles adopted by the conferences are the identical principles which the Federation was organized to promote. In passing, it is worth while to note that The National Civic Federation in the promotion of these principles has, from the beginning, been antagonized, on the one side, by the radical non-union employers and, on the other side, by the socialists, the I. W. W. and their "high-brow" echoers.

While the protocols made by the employers and the trade unionists are the best that have been made in any country, they cannot be expected to prevent all trouble, for we must not forget that organized labor has in its own ranks some of the disloyal elements, the pro-German Germans and anti-English Irish, who will play the Potsdam game at every possible opportunity; but disturbances will be reduced to a minimum because there are now plenty of laws and machinery for seeking out these treasonable persons and handing them over to the firing squad.

Under the war stress, organized labor has patriotically joined hands with the employers of the country in the attempt to keep the wheels going in order that their sons and our sons at the front may not be without the equipment and supplies necessary to meet the great enemy. The effect of this coming together for such a patriotic purpose is naturally breaking down many barriers between the organized labor movement and the em-

ployers; and instead of promoting class hatred, which the American Bolsheviks hoped it would do, the war situation is having just the reverse effect. A striking illustration of this can be found in the recent industrial program adopted jointly by the thousands of unorganized employees of the Standard Oil Company of New Jersey and the officials of that corporation. A still more striking example is seen in the conferences now being announced between Mr. Gompers and other officials of the American Federation of Labor, on the one side, and the officials of the United States Steel Corporation and other independent steel manufacturers, on the other side. The United States Steel Corporation has for ten years consistently refused to have any relations with organized labor, but patriotism now brings these antagonistic forces together, much to the disgust of the "highbrow" promoters of revolution. More employers are daily saying: "I am going to look after my men. If they want to join a union, they may do so. If they do not want to join a union, I am going to see that they are protected from unfair and arbitrary foremen and superintendents by permitting them to have their own committees to take up matters. Many great establishments (both union and non-union concerns) are re-organizing the humanitarian departments of their plants, known as welfare work. In fact, the Welfare Department of The National Civic Federation is swamped with calls for help to improve working conditions in big plants throughout the country.

Thus it is that I assert that the labor movement of this country—the real bona fide movement, as well as the spurious and the fake—will be demanding at the close of the war just what they are demanding now: the former, a condition of things that will permit them, through the power of their organization, (which power will be tremendously greater at that time because of its increased membership), to secure just wages, fair hours, sanitary working conditions and wholesome living surroundings—while the latter will go on with their interminable jargon about the producer taking over the product, the worker confiscating the industry, and the democratization of industry generally.

On this latter phrase, "the democratization of industry," there is much to be said, but I will only add that, to my mind, it is a meaningless one, because no

two elements of society mean the same thing when they use it. I undertook, some time ago, to see if I could find out what it meant. At the hearings before the Industrial Relations Commission, much was made of the contention that the worker should have a "compelling voice" not only in the matter of wages, hours and conditions of work but in "the operation of the industry." After an examination of the various groups advocating the democratization of industry, I concluded that they could be put in four general classes: that one group meant by the phrase only some form of profit-sharing, stock participation or a bonus to labor; that when the trade unionist used the phrase, he meant collective bargaining, he being opposed to all forms of profit-sharing, stock participation and bonus systems, and there being in his mind no idea of the employees demanding a percentage share of the profits and being represented on the board of directors of the corporation. I found the third class to be the socialists. As is known, they want the State to take over the industry, but the worker in that case would not have any part in running the industry but would draw his wages on Saturday night, just as any other government employee would do; while the fourth group, the I. W. W., as before stated, would have the workers take over the industry and run it themselves. That would be the real "democratization of industry," and also its end! * If there are any other classes, I did not find them. At any rate, whatever the "labor move-

*Professor E. A. Ross, of the University of Wisconsin, who was in Petrograd during the Bolshevik revolution, reports an interview which he had with Trotsky on the Bolshevik economic program, as follows.

Trotsky was asked:

"Is it the intention of your party to dispossess the owners of industrial plants in Russia?"

He replied:

"No. We are not ready yet to take over all industry. That will come in time, but no one can say how soon. For the present we expect out of the earnings of a factory to pay the owner five or six per cent yearly on his actual investment. What we aim at now is control rather than ownership."

"What do you mean by control?"

"I mean that we will see to it that the factory is run not from the point of view of private profit, but from the point of view of social welfare democratically conceived. For example, we will not allow the capitalist to shut up his factory in order to starve his workmen into submissiveness or because it is not yielding him a profit. If it is turning out economically a needed product, it must be kept running. If the capitalist abandons it he will lose it altogether, for a board of directors, chosen by the workmen, will be put in charge. Again 'control'

ment" is demanding in Petrograd, in Italy, in France, or in England for that matter, in this country it is not demanding a share in the management of the business of any plant, other than what is involved in the collective bargaining principle, which has no relation to that idea. Neither is it demanding that at the close of the war all the functions of government shall be committed to its special care. The reason that the organized labor movement believes in its own program is because of the satisfactory results obtained by it. That these results are satisfactory is well stated by the Executive Council of the American Federation of Labor at its annual convention in Seattle, in the following words:

"Not only has there been progress made in numbers, but for the increasing numbers there have been increases in wages, shortening of the work day, improvement in sanitary and general conditions under which the work is done, better protection for the life and health of the workers. These are fundamental factors in determining the standard of living prevailing among working people—the greater proportion of all the people. The test of the degree of civilization of any nation is the standard of living generally prevailing. There can be no question of the statement that the general

implies that the books and correspondence of the concern will be open to the public, so that henceforth there will be no industrial secrets."

"Do you propose that the profits earned by the concern shall be divided among its workers?"

"No. Profit-sharing is a bourgeois notion. The workers in a mill will be paid adequate wages. All the profits earned will belong to society. It is only pure profit that would be divided."

"Where will the money come from that will build new factories?"

"We can impose on the capitalist, to whom we allow a dividend of five or six per cent on his capital, the obligation to reinvest in some industry a part, say 25 per cent of what he receives."

"If in Russia you hold the capitalists down to five or six per cent, while in other countries they can hope for twice as much return, won't Russia be stripped of capital?"

"They won't be allowed to remove their capital from Russia at will," said Trotsky significantly.

In commenting on the program the Professor said:

"I submitted this Bolshevik program to various Russian economists, and all agreed that the Russian workmen are too ignorant and short-sighted to conform to the sound principles which may be held by their leaders. Conscious of being masters of the industrial properties, they will not submit themselves to indispensable discipline. They will not follow the counsel of technical men and they will 'eat up the capital,' so that before the factories have been long in their hands it will be impossible to keep them going."

standard of living among Americans has been raised year after year. The things which to-day are held to be necessities were deemed luxuries a decade ago."

Changes after the war? Yes! A better and higher civilization? Yes! Socialism, I. W. W.'ism, Bolshevism, Anarchy? No! That is my firm conviction.

New York, May 11, 1918.



